

THE AGE STRUCTURE OF IDAHO'S POPULATION AND ITS IMPLICATIONS FOR THE FUTURE

Understanding the age make-up of Idaho's population provides deep insights into labor market, economic, and social issues that Idaho will face in the next couple of decades. This article touches on a few of those issues.

To understand Idaho's age demographics, it's important to first review the major demographic events that have affected the age demographics of the U.S. population. After the Depression started in September 1929, many Americans postponed marriage or bearing children until they felt they could support families. The Depression did not end until the United States entered World War II in December 1941. Of course, most young Americans had to postpone marriage and children until the war ended. The net result was that 37 million babies were born between 1930 and 1945. After the war ended, Americans could start forming families again. As the economy prospered, Americans produced 76 million babies from 1946 to 1964. Those 76 million babies became known as the baby boom generation (or boomers, for short). The birth rate went down sharply in the late 1960s. The generation of 51 million babies born between 1965 and 1979 became known as Generation X or the "baby bust" generation. Starting in the late 1970s, baby boomers, whom in many cases had chosen to postpone marriages and children until later in their adult lives, began producing many babies. The baby boom echo generation, born from 1980 to 1998, totaled 70 million.

The same demographic forces affected Idaho's age structure, but other forces also were at work. Idaho's birth rate tended to remain considerably above the U.S. birth rate from 1940 to 1980. In the 1980s, it grew closer to the U.S. rate, but it remains significantly higher. Idaho's birth rate—the number of births per 1,000 women aged 15 to 44—was 15.6 in 2002, while the U.S. birth rate was 13.9. Another force affecting Idaho's demographics was the difference in the growth pattern of Idaho's population relative to the U.S. population growth. During the decades immediately after World War II, Idaho's population grew more slowly than the U.S. population. Between 1940 and 1970, Idaho's population grew 35.9 percent, from 524,873 to 713,015, while the U.S. population grew 53.8 percent, from 132.1 million to 203.3 million. Then, Idaho entered the high growth of the last three decades. From 1970 to 2000, Idaho's population grew 81.5 percent to 1,293,953, while the U.S. population grew 38.4 percent to 281.4 million. It would be difficult to identify just how much the new Idaho residents affected its age structure. Evidence sug-

gests that new residents were of varying ages. Although many of the new residents moved to Idaho after retiring, even more new residents moved to the state to raise young children or to take jobs in Idaho's growing economy.

Table 1 shows the percentages of Idaho's population in various age groups in the Censuses of 1960, 1980, and 2000. It gives a concise picture of the long-term changes in Idaho's age structure. The table makes apparent the decline in the percentage of population under 15 years of age, resulting from reduced birth rates as Idahoans chose to have smaller families.

FYI Table 1: Percent of Idaho Population in Various Age Groups

Age Groupings	Census Years		
	1960	1980	2000
Under 15 Years	34.7%	27.1%	23.4%
Under 5 Years	12.3%	9.9%	7.5%
5 to 9	11.8%	8.8%	7.8%
10 to 14	10.6%	8.4%	8.1%
15 to 29 Years	19.8%	27.1%	22.3%
15 to 19	8.3%	9.3%	8.5%
20 to 24	5.9%	9.1%	7.3%
25 to 29	5.6%	8.7%	6.6%
30 to 34 Years	18.5%	18.7%	21.6%
30 to 34	6.0%	7.7%	6.5%
35 to 39	6.3%	6.1%	7.4%
40 to 44	6.2%	4.9%	7.7%
45 to 49 Years	14.9%	13.0%	17.7%
45 to 49	5.8%	4.3%	7.2%
50 to 54	5.0%	4.3%	6.0%
55 to 59	4.1%	4.4%	4.6%
60 to 74 Years	9.0%	10.2%	9.6%
60 to 64	3.4%	4.0%	3.7%
65 to 69	3.1%	3.5%	3.1%
70 to 74	2.5%	2.7%	2.8%
75 Years & Over	3.1%	3.8%	5.4%
75 to 79	1.7%	1.8%	2.3%
80 to 84	0.9%	1.1%	1.7%
85 Years & Over	0.5%	0.9%	1.4%

Sources: 1960 Census of Population, 1980 Census of Population, 2000 Census of Population, U.S. Census Bureau

Another feature that stands out is how much the percentage of population 30 to 49 years increased from 1960 to 2000. That occurred as the baby boomers aged. In April 1960, when the Census was conducted, there were almost five full years of baby boomers to be born yet, and even the oldest boomers, those born in 1946, were

less than 15 years of age at that time. By 1980, baby boomers were 16 to 34 years of age and were swelling Idaho's young-adult age groups. By 2000 the baby boomers were 35 to 54 years of age.

The dramatic increase in people 75 years and over mainly reflects the remarkable increase in longevity achieved over the last 40 years that make the "oldest old" the fastest growing population segment in the United States.

Table 2 shows the median age of Idaho's population in 1910 to 2000, reflecting the long-term aging of Idaho's population as life expectancy has risen and birth rates have fallen.

FYI Table 2: Median Age of Idaho Population	
YEAR	AGE
1910	23.7
1920	23.5
1930	24.3
1940	26.4
1950	27.4
1960	26.0
1970	26.4
1980	27.5
1990	32.3
2000	33.2

Source: 2000 Census of Population, U.S. Census Bureau

Table 3 on page 25 shows the U.S., Idaho, and six Idaho regions' populations by age groups in 1990 and 2000, and how fast the various age groups grew between 1990 and 2000.

Idaho's changing age structure is affecting the economy and labor markets in many ways, including the following:

Idaho's strong growth in young adults gives it a competitive advantage.

Before the U.S. economic recession in 2001, many regions of the United States were complaining bitterly about a dearth of workers. Although Idaho was enjoying even faster job growth, the complaints weren't as bitter. Most Idaho businesses continued to expand their workforces without great difficulty, while many U.S. businesses were constrained by the tightness of the labor supply. The major reason Idaho's labor supply wasn't as tight was that the state was still enjoying strong growth of its young adult population, while most of the U.S. was experiencing a decline. Between 1990 and 2000, Idaho's population 18 to 34 years of age grew 22.0 percent, while the U.S. population in the same age group fell 4.4 percent. In addition, Idaho was experiencing higher growth than the U.S. in every age group; consequently, a business that relocated to Idaho improved its chances of finding workers. Idaho's age structure and

continued population growth promises to continue to provide the same competitive advantage to Idaho businesses throughout this decade.

Idaho has a higher proportion of children to raise and educate.

Idaho has a higher proportion of children than the average state because Idaho's birth rate tends to be higher than the U.S. birth rate. Idaho also experiences faster growth of the 18-to-34-population group, the age group that has the greatest number of children.

Although Idahoans under 15 years of age have declined as a percentage of the population, from 34.7 percent in 1960 to 23.4 percent in 2000, that age group has grown rapidly in absolute terms, rising 30.5 percent from 231,500 in 1960 to 302,300 in 2000. That growth has posed challenges for Idaho state government and public school districts.

Idaho ranks third among the 50 states for the percentage of population that is under 18 years of age. The two states that have higher percentages are Utah and Alaska.

Rapid growth of older Idahoans affects industrial mixes.

In the 1990s, the Idaho population 65 years and over grew 20.5 percent, and it is expected to grow even faster in the current decade. The rapid growth of Idahoans 65 and over is creating many new job opportunities in the *Health Care* sector. It's a major reason why Idaho's private and public *Health Care* sectors grew 75.9 percent, from 30,900 in 1991 to 54,361 in 2003, and why *Health Care* is expected to be one of the fastest growing industries over the next dozen years.

Number of older workers is growing rapidly

A review of Table 4 on page 26 shows that the age groups lined up to turn 60 over the next two decades are much larger than the group that was 60 to 64 years in 2003. Both Idaho and the United States will see their over-60 population growing very rapidly.

In Idaho the number of workers 55 years of age and over most likely will nearly double, from 81,753 in 2000 to more than 160,000 by 2010, taking the percentage of older workers from 13.3 percent to nearly 20 percent of the Idaho labor force.

The aging of the Idaho population that has occurred in recent decades, along with the very rapid aging of the Idaho population that started in 2001 when the first baby boomers turned 55 years old, will affect Idaho businesses. Over the next decade or two, businesses will have to make decisions about how to treat older workers who are becoming a larger percentage of the labor force and how to replace them when it's time for them to retire.

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F.Y.I. Tables

FOR YOUR INFORMATION

FYI Table 3: Population by Age, 1990 to 2000						
	Total	Under 18 years of age	18 to 34 years	35 to 49 years	50 to 64 years	65 years & over
Population, 1990						
United States	248,709,873	63,606,544	69,701,927	51,597,314	32,608,813	31,195,275
State of Idaho	1,006,749	307,837	251,707	204,135	121,932	121,138
Region 1	126,617	35,093	27,148	28,560	18,146	17,670
Region 2	90,175	22,271	25,628	17,973	11,895	12,408
Region 3	375,148	109,821	97,459	79,538	43,844	44,486
Region 4	136,831	43,117	30,877	26,767	17,546	18,524
Region 5	136,466	48,355	32,371	25,605	15,320	14,815
Region 6	141,512	49,180	38,224	25,692	15,181	13,235
Percent of Total Population, 1990						
United States	100.0%	25.6%	28.0%	20.7%	13.1%	12.5%
State of Idaho	100.0%	30.6%	25.0%	20.3%	12.1%	12.0%
Region 1	100.0%	27.7%	21.4%	22.6%	14.3%	14.0%
Region 2	100.0%	24.7%	28.4%	19.9%	13.2%	13.8%
Region 3	100.0%	29.3%	26.0%	21.2%	11.7%	11.9%
Region 4	100.0%	31.5%	22.6%	19.6%	12.8%	13.5%
Region 5	100.0%	35.4%	23.7%	18.8%	11.2%	10.9%
Region 6	100.0%	34.8%	27.0%	18.2%	10.7%	9.4%
Population 2000						
United States	281,421,906	72,142,757	66,644,867	66,086,598	41,568,712	34,978,972
State of Idaho	1,293,953	368,131	307,020	288,303	184,554	145,945
Region 1	178,333	47,345	34,606	42,493	30,667	23,222
Region 2	100,533	22,801	25,917	21,654	15,921	14,240
Region 3	535,652	151,480	133,929	123,412	72,443	54,388
Region 4	162,397	47,587	34,466	35,602	23,698	21,044
Region 5	154,007	48,263	37,052	31,654	20,205	16,833
Region 6	163,031	50,655	41,050	33,488	21,620	16,218
Percent of Total Population, 2000						
United States	100.0%	25.6%	23.7%	23.5%	14.8%	12.4%
State of Idaho	100.0%	28.5%	23.7%	22.3%	14.3%	11.3%
Region 1	100.0%	26.5%	19.4%	23.8%	17.2%	13.0%
Region 2	100.0%	22.7%	25.8%	21.5%	15.8%	14.2%
Region 3	100.0%	28.3%	25.0%	23.0%	13.5%	10.2%
Region 4	100.0%	29.3%	21.2%	21.9%	14.6%	13.0%
Region 5	100.0%	31.3%	24.1%	20.6%	13.1%	10.9%
Region 6	100.0%	31.1%	25.2%	20.5%	13.3%	9.9%
Percent Growth in Age Group, 1990 to 2000						
United States	13.2%	13.4%	-4.4%	28.1%	27.5%	12.1%
State of Idaho	28.5%	19.6%	22.0%	41.2%	51.4%	20.5%
Region 1	40.8%	34.9%	27.5%	48.8%	69.0%	31.4%
Region 2	11.5%	2.4%	1.1%	20.5%	33.8%	14.8%
Region 3	42.8%	37.9%	37.4%	55.2%	65.2%	22.3%
Region 4	18.7%	10.4%	11.6%	33.0%	35.1%	13.6%
Region 5	12.9%	-0.2%	14.5%	23.6%	31.9%	13.6%
Region 6	15.2%	3.0%	7.4%	30.3%	42.4%	22.5%
<i>Sources: 1990 Census of Population, 2000 Census of Population, U.S. Census Bureau</i>						

FYI Table 4: Population 25 to 64 Years of Age, 2000				
State of Idaho			United States	
Age Group	Population in Age Group	Percent Larger than 60 to 64 Age Group	Population in Age Group	Percent Larger than 60 to 64 Age Group
25 to 29 years	88,048	84.1%	19,365,852	89.3%
30 to 34 years	84,946	77.6%	20,439,622	99.8%
35 to 39 years	96,442	101.7%	22,943,244	124.3%
40 to 44 years	100,458	110.1%	22,651,986	121.4%
45 to 49 years	92,596	93.6%	19,849,930	94.1%
50 to 54 years	78,350	63.8%	17,001,224	66.2%
55 to 59 years	59,260	23.9%	12,909,618	26.2%
60 to 64 years	47,824	0.0%	10,229,156	0.0%

Source: 2000 Census of Population, U.S. Census Bureau

FYI Table 5: Idaho Population & Labor Force by Age & Sex, 2000			
	Total	Male	Female
16 to 19 years:	87,734	44,530	43,204
In labor force:	48,831	24,830	24,001
<i>Labor Force Participation</i>	55.7%	55.8%	55.6%
20 to 24 years:	87,734	44,530	43,204
In labor force:	48,831	24,830	24,001
<i>Labor Force Participation</i>	55.7%	55.8%	55.6%
25 to 29 years:	85,032	44,024	41,008
In labor force:	68,371	38,969	29,402
<i>Labor Force Participation</i>	80.4%	88.5%	71.7%
30 to 34 years:	83,671	42,473	41,198
In labor force:	67,210	37,821	29,389
<i>Labor Force Participation</i>	80.3%	89.0%	71.3%
35 to 44 years:	195,711	98,450	97,261
In labor force:	161,808	88,359	73,449
<i>Labor Force Participation</i>	82.7%	89.8%	75.5%
45 to 54 years:	169,995	85,473	84,522
In labor force:	139,839	75,782	64,057
<i>Labor Force Participation</i>	82.3%	88.7%	75.8%
55 to 59 years:	59,388	29,630	29,758
In labor force:	41,088	23,161	17,927
<i>Labor Force Participation</i>	69.2%	78.2%	60.2%
60 to 64 years:	47,763	23,912	23,851
In labor force:	22,563	13,275	9,288
<i>Labor Force Participation</i>	47.2%	55.5%	38.9%
65 to 69 years:	39,983	19,291	20,692
In labor force:	9,426	5,597	3,829
<i>Labor Force Participation</i>	23.6%	29.0%	18.5%
70 to 74 years:	36,201	16,976	19,225
In labor force:	4,786	3,054	1,732
<i>Labor Force Participation</i>	13.2%	18.0%	9.0%
75 years and over:	69,761	27,816	41,945
In labor force:	3,900	2,394	1,506
<i>Labor Force Participation</i>	5.6%	8.6%	3.6%

Source: 2000 Census of Population, U.S. Census Bureau

It's important to remember that many people do not wait to retire until they're 65, but at the same time many people do not choose to retire after they're 65. In 2000 more than 18,000 Idahoans 65 years old and over were participating in the labor force. Table 5 on page 26 shows the labor force participation rates of Idahoans in various age groups in 2000.

There is good reason to believe that an even higher proportion of people who are 65 years and over will stay in the labor force during the next couple of decades. Idaho Commerce and Labor offices across the state report that since 2000 more older people are choosing to stay in the labor pool. According to a *New York Times* study in early 2004, one out of four American workers 45 years of age and older report delaying retirement.

Reasons why people are postponing retirement

- Many people are entering their 60s and 70s far healthier than earlier generations did. Some have the energy and desire to continue to contribute in the workplace.
- Rising health care costs prevent some individuals with health problems in their family from leaving employers that provide health insurance at a reasonable cost.
- Some individuals haven't saved enough money, or lost their pensions through the closure, merger, or reorganization of their employers. Others lost sig-

nificant amounts of their portfolios during the troubled stock market of 2001. Some have been stymied by the exceptionally low interest rates of the last couple of years, which provides considerably less interest income than they anticipated.

- It's more likely that people in their 50s and 60s in the future will still have children in college, because in the last two decades more people are starting their families later in life.
- Many grandparents are becoming responsible for raising their grandchildren. Those individuals may postpone their retirements so they can support their grandchildren. According to the 2000 Census, in 8,110 Idaho families, grandparents were raising their grandchildren.

Replacing older workers will be difficult, but Idaho will have a comparative advantage.

Whether they retire at 55, 65, or 75, boomers eventually will retire, and many industries will be hard-pressed to replace them. Because of Idaho's younger age structure and long-term population growth, Idaho industries will find it somewhat easier to replace workers as they retire.

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Panhandle News — (continued from page 8)

- Lydig Construction currently is constructing a 13,000-square-foot administration building at the Burlington Northern Santa Fe (BNSF) Railway's locomotive refueling depot near Hauser Lake. The buildings, railroad track, and equipment cost more than \$30 million. When it opens this fall, the depot will fuel BNSF trains on their way to and from Seattle. In June, BNSF began recruiting 20 laborers to work at the depot. Altogether, about 45 people will work at the depot.

Shoshone County

- Shoshone County's economy is enjoying increased *Mining* employment, exceptional construction activity, growing interest from tourists, a hot housing market for the first time in 20-plus years, growth in its retail sector led by Dave Smith Motors, and an improved outlook for its *Manufacturing* sector.
- Hecla Mining's Lucky Friday mine near Mullan continues to expand. After it laid off more than 100

workers in the fall of 2001, the Lucky Friday's employment fell to 60 people. By June 2002, its employment had risen to 90 where it stayed until the beginning of 2004. By March its employment had risen to 114 people. Now it employs 140 people. Improved metal prices during the last year, plus development of a promising deposit, have given the Lucky Friday a second wind. Silver prices were hovering around \$4.30 an ounce when Hecla made its 2001 layoffs. By July 14, 2003, the price of silver was \$4.79 per ounce. On July 14, 2004, it was \$6.38. Hecla engineers believe the mine, which has produced 127 million ounces of silver in the last 50 years, could still contain 90 million more ounces of silver.

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